

EXCEPTS FROM DEMOCRATIC STUDY GROUP DISCUSSION

July 21, 2003

Unidentified Assemblymember [possibly Nunez]: Hannah-Beth, are you saying that if we don't take it to the point if we don't get more revenues, we do not support a budget that has an additional \$1.5 billion worth of cuts. ... At least to start it off at the point of discussion

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Assemblymember Jackson: ...the question is how are they going to formulate the budget they are going to send over to us. Where's the next \$1.5 billion in cuts going to come from?

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Unidentified Assemblymember [possibly Nunez]: I understand that, Hannah-Beth. My point is, given that we know we are not going to get new revenues the, is what we're saying that we just want to have input as to where those cuts are going to be or are we saying we don't support cuts that deeply into this budget....

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Assemblymember Jackson: ...The question is, I think we're looking at \$1.5 billion worth of cuts ...

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Unidentified Assemblymember [possibly Dymally]: Hannah-Beth, ...what are we asking, what are we saying to the Senate folks?

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Assemblymember Jackson: ...We want to know what your plan is...what are you proposing?...the reality is that when the Senate sends it over to us, it is going ... it is going to be a problem in 04-05. We want them to respect our input so that we can go out when we do get a budget....

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Assemblymember Nunez: No. But, you know, there's a very responsible perspective to that, in that precipitating the crisis does not necessarily mean that -- if you're thinking about this is, the strategy for the 55 percent, all the polls, all the polls suggest that if you don't have a budget, that it lent itself to help support the effort for the 55 percent. That's what the proponents say - CTA and the others - are saying about that. In addition, in terms of the recall, the extent to which the Governor can do a good job of making a connection between having no budget and the

Republican [inaud] on the recall -- I don't know if any of you have heard the Darrell Issa commercials on the radio, but they're all about the budget. It's all about what's going on right now. That's why he wants to be governor. And he's saying "we don't have a budget because of Gray Davis." The folks that are heading up the anti-recall effort think if you don't have the budget, it helps Democrats in the recall effort. If you don't have a budget, it helps Democrats on the 55 percent. So if you're looking strictly at outcomes in terms of how we're preparing and gearing ourselves to win the war on the 55 percent, there are, [inaud] I mean, there's...

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Assemblymember Goldberg: The question that I have, is that - and I go back to both '92 and to '78 - when people never saw what, they never got to see really up front and close what Prop 13 really did. Because what we did in education was is that teachers started subsidizing their classrooms, and we cut out art and we cut out music and we cut out drama and we cut out sports in some areas and, cut out tutoring and [inaud] teachers and we raised class size. And people thought: look, schools are all still open, this didn't hurt anyone. Some of us are thinking that maybe people should see the pain up close and personal, right now.

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Assemblymember Goldberg: ...they are 10, 10, and 5 over there. Ten want to hold out for [inaud], ten want to [inaud], and five [inaud]. We're going to try and find out tomorrow where we are. "

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Assemblymember Goldberg: But we have to figure out what we do think. And I do think it has to be in line with two things, and that's one of the reasons that I asked Mr. Dymally to get us together. One is how it impacts the 55 percent proposition. And secondly whether or not - if there's going to be a crisis to happen - if there's going to be a crisis, whether it should be this year or next year, in terms of members of our House who want to get re-elected, in terms of members of our House who [inaud]. Personally, I think the crisis is better off this year than next year. But that's a discussion that I just want to make sure you have, and that's happens, and that's why [inaud]...

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Unidentified Assemblymember [possibly Laird]: ...to talk with her about the budget and see if that's the thing that we feel like those concerns have been removed and that it's worked as a political strategy. If we got every Dem but Marco and Richman to go up on it, and suddenly ... I mean that's the first line that can be crossed in public. Politically, there's some statements.

And if the Senate is about to send something worse, they might be in a better position and it might even force the out-year issue. I think that's a strategy worth taking a hard look at. And maybe an intermediate step is meeting with them to see if, strategy-wise, if that is something worth recommending to this group. And should we toss that out?

Assemblymember Goldberg: I will say that Canciamilla reported that Richman would not go for that budget. I hear that if it didn't include a commitment on workers' comp -- 17200 and other structural needs.

Unidentified Assemblymember: So technically it's (inaudible)

Assemblymember Goldberg: So here's the question.

Unidentified Assemblymember: You said both of those and some other structure.

Assemblymember Dymally: Alan? Alan?

Assemblymember Jackson: We need to also keep in mind there is another factor here. We've got a problem. Excuse me, but don't Mr. Brulte and Mr. Cox dislike each other? So, will Cox automatically accept a Brulte budget, or is there something else?

Unidentified Assemblymember: That's another story

Assemblymember Jackson: Well, yes that is another story.

Unidentified Assemblymember [possibly Levine]: It's our story. It's our story. If we're sitting there getting hit. At some point, the decision, as John said, has got to be 28 Republicans or 26 Dems; it's really their budget. So, that more Republicans go up and yet the Cox/Brulte thing -- you know, they hate each other -- because... I don't want to go up on that budget.

Assemblymember Goldberg: Yes

Assemblymember Laird: And whether it's two of us who have less than 50 percent Dems in our district that have high green turnouts or something like that. You know (inaudible).

Assemblymember Goldberg: It's up to my successor.....

Unidentified Assemblymember: Yes, that's not where we need to be put up our budget. So, there needs to be a lot of Republicans up to give some people a pass and the Cox-Brulte thing is very much trouble.

Assemblymember Goldberg: That won't happen. I think it's very unlikely that a Democrat will get a pass on any of these budgets. I just don't think that's going to happen. If I might just say, I think Allan and Patty both worked on that budget didn't you? I think it would be wonderful if we could find out in Canciamilla and Richman.

Unidentified Staffer: Excuse me, guys, you can be heard outside.

Assemblymember Goldberg: Oh, shit.

Unidentified Staffer: The squawk box is on -- you need to turn it off right there.

Assemblymember Goldberg: How could that happen?

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